

# Volofin closes \$50m engines and APUs portfolio financing

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Volofin Capital Management has announced the structuring and closing of a portfolio financing transaction, in a \$50 million transaction.

Acting as the sole lender and lead arranger, Volofin facilitated the financing for RIVE Private Investment, a European investment firm specialising in transportation assets and energy transition infrastructures, secured against a portfolio of 107 turboprop engines and auxiliary power units (APU) currently on short-term leases to a diversified group of lessees.

Concurrently, RIVE secured an equity investment from Turning Rock Partners who became joint owners of the asset owning company.

The assets are managed by LXA Leasing.

The highly revolving nature of the portfolio, with predominantly short-term leases, necessitated a flexible and innovative financing structure that allows LXA Leasing to quickly execute leases, supporting its diverse group of lessee clients efficiently, says Volofin.

The diversity and proven track record of the assets provide high levels of risk diversification, enabling Volofin to apply a portfolio-based financing approach.

The transaction reinforces the ongoing relationship between RIVE and Volofin, providing substantial capital to support the continued growth of LXA Leasing's business. Volofin's deep industry experience and pragmatic approach to engine leasing made this a successful and pioneering financing solution for a portfolio of revolving short-term leases, structured on a non-recourse basis. The loan is secured by assets leased to maintenance, repair, and overhaul (MRO) providers, original equipment manufacturers (OEMs), and global airlines.

Jan Bockelmann, managing director of Volofin Capital Management commented: "We are very pleased to close this innovative and complex transaction together with RIVE and LXA Leasing. The successful track record of LXA, as well as RIVE's position as anchor investor, is very impressive. Their deep market knowledge is invaluable, and we look forward to further strengthening this partnership in the near future."

RIVE's investment director Bachir Lahsini said the transaction demonstrates the attractiveness of specialized transportation assets for investors and lenders. "It is a non-conventional, but deep aviation asset class, critical for aircraft maintenance cycles, and this structured financing paves the way for new acquisitions to expand our asset portfolio," he added.

Jean-Christophe Normand, LXA Leasing founding partner and chief financial officer, "LXA Leasing success is based on our team's readiness to support the spare engine and APU needs for our OEM, MRO and global airline customers. This refinancing of 107 assets of our portfolio will enable an increased level of support to our customers and to sustain the fleet growth they require for their operations."

Seabury Securities acted as exclusive financial advisors and placement agent for RIVE Private Investment and LXA Leasing.

Watson Farley & Williams represented RIVE in the transaction. Clyde & Co and Holland & Knight acted as legal counsel to the lender and Turning Rock Partners, respectively.

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